

TO: Governor's Energy Efficiency and Renewables Task Force
Administrative Model and Funding Workgroup Members

FROM: George Edgar
Kristine Euclide

DATE: March 5, 2004

RE: **Minutes from February 17, 2004 Workgroup Meeting**

Workgroup members present:

George Edgar, co-chair	Peter Bock	Charlie Higley
Kristine Euclide, co-chair	Dave Helbach	Chuck McGinnis
Nino Amato (by phone)		

Task Force Staff present:

John Marx, DOA	Sarah Justus, DOA
----------------	-------------------

Stakeholders present:

Cathy Boies, CFC	Steve Heins, Orion	Susan Stratton, ECW
Greg Bollom, MGE	Pat Meier, DOA	Brian Zelenak, Xcel
Janet Brandt, WECC	Ilze Rukis, WPS	

Meeting Outcomes

1. The spending of Public Benefits funds should be linked with the PSC's resource approval process. Public Benefits efforts should be consistent with and supportive of state resource priorities and objectives.
2. DOA should retain oversight of the low-income programs.
3. Minutes from the 2-3-04 meeting were approved.
4. Suggested role definitions document distributed for use by work group (see attached).
5. Presentation by John Marx (DOA) re public benefits funding levels (see attached).

Issues to be Addressed in Future Meetings

1. Allocation of funds:
 - What oversight agency directs the disbursement of funds from the fiscal agent?
 - Should funds be allocated where most cost-effective on state-wide basis or allocated based on where collected (geographically and/or by customer group)?
 - Should provision be made to allow some of the funds to be retained by a utility, subject to Commission oversight?
2. Collection of funds:
 - Should uniform charge be embedded in rates or as a separate line item on the bill?
 - What are the mechanics of the uniform charge to be collected from customers?
3. Funding adequacy:
 - How integrate with the PSC planning process and energy efficiency requirement under the energy priorities statute?
 - What are appropriate funding levels?

Outcomes from 2-3-04 Meeting:

1. Minutes from the January 20th meeting were approved
2. Discussion during the majority of the meeting to involve workgroup members and staff. Last 15 minutes of the meeting will be reserved for comments from stakeholders present at the meeting.
3. Once workgroup has developed a preliminary proposal, it will host 2-3 forums in different areas of the state to solicit public input.
4. PSC designated as the agency to oversee utility retention of funds for Public Benefits Programs.
5. As directed by the PSC, the utilities will collect these funds through the utility revenue requirement. Municipalities and coops may opt in as under current statutes. The funds will then be transferred to a non-governmental fiscal agent.
6. Funds are to be collected from utilities through a uniform charge creating collection equity across utilities and among customers.
7. For consistency purposes, low-income program funds should be collected using the same administrative model as that for energy efficiency funds

Distribution List

- All Administrative Model and Funding Workgroup
- All Task Force Members
- Stakeholders present and/or requesting copies
- Website

The next meeting is scheduled for Tuesday, March 2nd from 10:00 – 11:30 a.m. at MGE conference room 6B (133 South Blair Street, Madison). (Note: Subsequently changed to March 9th from 10:00 – 11:30 a.m. at MGE, Lunchroom Annex, 3rd Floor (133 South Blair Street, Madison).

NOTE: The work group meetings on the third Tuesday of the month following the Governor's Energy Task Force meeting will now begin at 1:00 p.m. at MGE.